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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/716,189	11/17/2000	James MacPherson	DT-3788	6173
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EXAMINER GRAHAM, CLEMENT B				
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/716,189

Applicant(s)

MACPHERSON, JAMES

Examiner

Clement B. Graham

Art Unit

3696

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 2/7/06.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-45 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-45 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____
- Paper No(s)/Mail Date: _____

DETAILED ACTION

SUBSTITUTE ACTION

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 9/19/2007 has been entered.
2. Claims 1-45 remained pending.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. § 103(a) which forms the basis for all obviousness rejections set forth in this Office action: (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.
4. The factual inquiries set forth in *Graham v. John Deere Co.*, 148 USPQ 459, that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:
 1. Determining the scope and contents of the prior art.
 2. Ascertaining the differences between the prior art and the claims at issue.
 3. Resolving the level of ordinary skill in the pertinent art.
 4. Considering objective evidence present in the application indicating obviousness or unobviousness.
5. Claims 1-45, are rejected under 35 U.S.C. 103(a) as being unpatentable over in Wilson et al (Hereinafter Wilson U.S Patent 5, 864, 827 view of Hawkins et al (Hereinafter Hawkins U.S. Patent 6, 029, 146) in view of King U.S. Patent 6,148, 293.

As per claims 1, 5, Wilson discloses a method for processing mutual fund order messages in including purchase and redemption transactions, comprising the steps of: receiving order messages in Exchange Equity Order Entry Format at a server (see column 2 lines 6-14) from at least one of a plurality of servers designated Exchanges

and in Exchange Equity Order Entry Format, and Fund Order Entry Format, reformatting and transmitting order messages at the servers to at least one of a plurality of servers (see column 3 lines 1-50 and column 4 lines 1-39).

Wilson fails to explicitly teach Fund/Securities Clearing Agents for confirmation, clearing and settlement.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction and aggregating orders by fund (see column 21 lines 59-65 and column 4 line 65 and column 2 lines 51-56 and column 7 lines 47-67).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include Fund/Securities Clearing Agents for confirmation, clearing and settlement taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

Wilson and Hawkins fail to explicitly teach issuance and redemption of mutual fund shares by the mutual fund issuer.

However, King discloses a preference Equity--A preference equity position often provides an annual stated revenue stream, an option by the holder to convert to common shares the ability of the corporation to redeem the shares and a senior position in a liquidation. For the transferring party, the possibility of annual compensation is

increased, but the holder remains subject to the risk of the performance of the corporation. For the company, this format may provide additional funding which may be subsequently reduced through share redemption. Payment of an annual preference dividend is generally out of net profits, so the corporation's commitment to pay often remains subject to profitability. Again, the transferring party continues to be subject to the risk of the company's underlying business performance on an annual basis(see column 2 lines 4-119 and claim 10).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson and Hawkins to include issuance and redemption of mutual fund shares by the mutual fund issuer taught by King in order to improve loan rates structure for financial institutions.

As per claim 2, Wilson discloses wherein the step of transmitting further comprises the step of forwarding the reformatted order messages from the server to at least one of servers of at least one of the individual Funds and Transfer Agents for processing and confirmation (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 3, Wilson and Hawkins fails to explicitly teach wherein the step of forwarding said reformatted order messages from the server, in single batch and multi batch, throughout the day (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 4, Wilson and Hawkins fails to explicitly teach wherein the step of forwarding said reformatted order messages from the server, in single batch and multi batch, throughout the day (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 7, Wilson discloses further comprising the step of at least one of a plurality of ordering Member Firms reformatting the confirmation messages at the server and transmitting said confirmation messages from the server to servers (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 8, Wilson discloses to explicitly teach wherein the step of transmitting said confirmation messages from the server, in single batch and multi batch, throughout the day (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 9, Wilson discloses to explicitly teach wherein the step of transmitting said confirmation messages further comprises the step of delaying the transmission of said confirmation messages from the server, in single batch and multi-batch, until the end of the day (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 10, Wilson discloses further comprising the step of and settlement of order messages including the issuance and redemption of mutual fund shares by the mutual fund issuer through servers at least one of said and servers at least one of a plurality of Depositories using at least one money settlement system (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

Wilson fails to explicitly teach clearing and Fund/Securities Clearing Agents for confirmation, clearing and settlement.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65 and column 2 lines 51-56 and column 7 lines 47-67).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include clearing and

Fund/Securities Clearing Agents taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically. Wilson and Hawkins fail to explicitly teach issuance and redemption of mutual fund shares by the mutual fund issuer.

However, King discloses a preference Equity--A preference equity position often provides an annual stated revenue stream, an option by the holder to convert to common shares the ability of the corporation to redeem the shares and a senior position in a liquidation. For the transferring party, the possibility of annual compensation is increased, but the holder remains subject to the risk of the performance of the corporation. For the company, this format may provide additional funding which may be subsequently reduced through share redemption. Payment of an annual preference dividend is generally out of net profits, so the corporation's commitment to pay often remains subject to profitability. Again, the transferring party continues to be subject to the risk of the company's underlying business performance on an annual basis(see column 2 lines 4-119 and claim 10).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson and Hawkins to include issuance and redemption of mutual fund shares by the mutual fund issuer taught by King in order to improve loan rates structure for financial institutions.

As per claim 11, Wilson discloses further comprising the step of paying at least one of cash dividends and reinvested dividends to at least one of a Member Firm's (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

Wilson fails to explicitly teach Depository Account and a Fund/Securities Clearing Agent's Account.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker,

receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65 and column 2 lines 51-56 and column 7 lines 47-67).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include Depository Account and a Fund/Securities Clearing Agent's Account taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 12, Wilson discloses further comprising the step of receiving the order messages at the server for tabulation (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 13, Wilson discloses further comprising the step of storing the order messages in a database (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 14, Wilson discloses further comprising the step of storing information relating to said order messages in the database storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 15, Wilson, Hawkins and Wilson fails to explicitly teach further comprising the step of receiving dividend information at the server for tabulation of order message information, comprising correct calculation of each fund's NAV, calculation of fund total returns over different time periods and fund assets held at each Member Firm (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 16, Wilson discloses further comprising the steps of storing total return information in the database storing NAV including dividends and fund assets held at each Member Firm at different points in time (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 17, Wilson discloses further comprising the steps of sorting orders, performing calculations relating to orders at the server including the steps of tabulating orders into records and generating reports (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 18, Wilson discloses a computer implemented method for processing mutual fund order messages, including purchase and redemption and buy and sell transactions, comprising the steps of:
receiving order messages in Exchange Equity Order Entry Format at a first server of an Exchange from a second server at least one Member Firm(see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53) matching and executing order messages at the first server; and transmitting the matched and executed order messages from the first server to servers at least one of a plurality of ordering Member Firms for confirmation and reformatting the matched and executed order messages to Fund Order Entry Format at the first server and transmitting the reformatted order messages to servers at least one of a plurality(see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

Wilson fails to explicitly teach of Funds/Securities Clearing Agents for clearing and settlement.

However, Hawkins discloses a database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first

notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include of Funds/Securities Clearing Agents for clearing and settlement taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 19, Wilson discloses wherein the step of forwarding said reformatted order messages from the server, in single batch and multi batch, throughout the day (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 20, Wilson and Hawkins fails to explicitly teach wherein the step of forwarding said reformatted order messages from the server, in single batch and multi batch, at the end of the day. (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 21, Wilson discloses further comprising the step of transmitting the matched and executed order messages from the first server to a third server for tabulation and processing (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 22, Wilson discloses further comprising the step of storing the matched and executed order messages in a database (see column 3 lines 1-50 and column 4 lines 1-39).

As per claim 23, Wilson discloses further comprising the step of storing information relating to said order messages in the database storing by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions (see column 3 lines 1-50 and column 4 lines 1-39).

As per claim 24, Wilson, discloses further comprising the step of receiving dividend information at the server for tabulation of order message information, comprising correct

calculation of each fund's NAV, calculation of fund total returns over different time periods and fund assets held at each Member Firm (see column 3 lines 1-50 and column 4 lines 1-39).

As per claim 25, Wilson discloses further comprising the steps of storing total return information in the database storing NAV and total return information including dividends and fund assets held at each Member Firm at different points in time (see column 3 lines 1-50 and column 4 lines 1-39).

As per claim 26, Wilson discloses further comprising the steps of sorting orders, performing calculations relating to orders at the server including the steps of tabulating orders into records and generating reports(see column 3 lines 1-50 and column 4 lines 1-39).

As per claim 27, Wilson discloses wherein the step of transmitting the matched and executed reformatted order messages from the first server to the servers of the further includes the step of transmitting matched and executed reformatted order messages from the first server to servers of at least one of a plurality of Depositories (see column 3 lines 1-50 and column 4 lines 1-39).

Wilson fails to explicitly teach Funds/Securities Clearing Agents.

However, Hawkins discloses the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include Funds/Securities Clearing Agents taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 28, Wilson discloses further comprising the step of settlement of said matched and executed orders, including Depository eligible book entry orders, through servers at least one of the continuous, daily and other money settlement system (see column 3 lines 1-50 and column 4 lines 1-39).

Wilson fails to explicitly teach Fund/Securities Clearing Agents using at least one Fund/Securities Clearing Agent's.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65 and column 2 lines 51-56 and column 7 lines 47-67).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include Fund/Securities Clearing Agents using at least one Fund/Securities Clearing Agent's taught by Hawkins in order to trade securities whereby trade confirmation are performed automatically. Wilson and Hawkins fail to explicitly teach issuance and redemption of mutual fund shares by the mutual fund issuer.

However, King discloses a preference Equity--A preference equity position often provides an annual stated revenue stream, an option by the holder to convert to common shares the ability of the corporation to redeem the shares and a senior position in a liquidation for the transferring party, the possibility of annual compensation is increased, but the holder remains subject to the risk of the performance of the corporation. For the company, this format may provide additional funding which may be subsequently reduced through share redemption. Payment of an annual preference dividend is generally out of net profits, so the corporation's commitment to pay often remains subject to profitability. Again, the transferring party continues to be subject to the risk of the company's underlying business performance on an annual basis(see column 2 lines 4-119 and claim 10).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson and Hawkins to include issuance and redemption of mutual fund shares by the mutual fund issuer taught by King in order to improve loan rates structure for financial institutions.

As per claim 29, Wilson fails to explicitly further comprising the step of paying at least one of cash dividends and reinvested dividends to at least one of a Member Firm's Depository Account (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

Wilson fails to explicitly teach a Fund/Securities Clearing Agent's Account.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a

second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65 and column 2 lines 51-56 and column 7 lines 47-67).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include a Fund/Securities Clearing Agent's Account taught by Hawkins in order to view confirmation messages and transactions.

As per claims 30, Wilson discloses a computer implemented system for processing mutual fund order messages, including purchase and redemption and buy and sell transactions, comprising a first server for receiving order messages in Exchange Equity Order Entry Format from servers at least one of a plurality of designated Exchanges, aggregating orders, by fund, reformatting the order messages to Fund Order Entry Format at the first server and transmitting the reformatted order messages to servers at least one of a (see column 3 lines 1-50 and column 4 lines 1-39).

Wilson fails to explicitly teach plurality of Fund/Securities Clearing Agents for confirmation, clearing and settlement.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include plurality of Fund/Securities Clearing Agents for confirmation, clearing and settlement taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 31, Wilson fails to explicitly teach wherein servers at least one of the Fund/Clearing Agents forwards the reformatted order messages to servers at least one of individual Funds and Transfer Agents for processing and confirmation.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include wherein servers at least one of the Fund/Clearing Agents forwards the reformatted order messages to servers at least one of individual Funds and Transfer Agents for processing and confirmation taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 32, Wilson discloses wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi batch,

throughout the day (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 33, Wilson discloses wherein the step of forwarding comprises forwarding said order messages from the server, in single batch and multi-batch, at the end of the day (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 34, Wilson discloses wherein said first server transmits said order and reformatted messages, in single~ batch and multi-batch, at the end of the day. (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 35, Wilson discloses, wherein said first server receives confirmation messages from servers at least one of said.

Wilson fails to explicitly teach Fund/Securities Clearing Agent's.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson and to include Fund/Securities Clearing Agents taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 36, Wilson discloses 35. (Previously Amended) The computer implemented system of claim 34, wherein the confirmation messages are received at said first server periodically and at the end of the day.

As per claim 36, Wilson discloses wherein the first server reformats the confirmation messages and transmits the confirmation messages to servers at least one of a plurality of ordering Member Firms. (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 37, Wilson discloses wherein said first server transmits the confirmation messages to servers at least one of the Member Firms, in single, batch and multi-batch, throughout the day (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 38, Wilson discloses wherein the step of transmitting said confirmation messages further comprises the step of delaying the transmission of said confirmation messages from the server, in single batch and multi-batch, until the end of the day (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 39, Wilson discloses wherein servers at least one of said and servers at least one of said Depositories use at least one of said money settlement systems to settle orders including the issuance and redemption of mutual fund shares by mutual fund issuers included in said reformatted order messages (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

Wilson fails to explicitly teach Fund/Securities Clearing Agent's.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and

forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson and to include Fund/Securities Clearing Agents taught by Hawkins in order to trade securities electronically between brokers in which trade confirmation is performed automatically.

As per claim 40, Wilson discloses further comprising the step of paying at least one of cash dividends and reinvested dividends to at least one of a Member Firm's Depository Account (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

Wilson fails to explicitly teach a Fund/Securities Clearing Agent's Account.

However, Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction. (see column 21 lines 59-65 and column 4 line 65).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson to include a Fund/Securities Clearing Agent's Account taught by Hawkins in order to view confirmation messages and transactions.

Wilson and Hawkins fail to explicitly teach issuance and redemption of mutual fund shares by the mutual fund issuer.

However, King discloses a preference Equity--A preference equity position often provides an annual stated revenue stream, an option by the holder to convert to common shares the ability of the corporation to redeem the shares and a senior position in a liquidation for the transferring party, the possibility of annual compensation is increased, but the holder remains subject to the risk of the performance of the corporation. For the company, this format may provide additional funding which may be subsequently reduced through share redemption. Payment of an annual preference dividend is generally out of net profits, so the corporation's commitment to pay often remains subject to profitability. Again, the transferring party continues to be subject to the risk of the company's underlying business performance on an annual basis(see column 2 lines 4-119 and claim 10).

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Wilson and Hawkins to include issuance and redemption of mutual fund shares by the mutual fund issuer taught by King in order to improve loan rates structure for financial institutions.

As per claim 41, Wilson discloses wherein said first server tabulates said order messages see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 42, Wilson discloses wherein the first server further comprises a database for storing said order messages (see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 43, Wilson discloses wherein said database stores information relating to said order messages by date, Member Firms and funds, including gross purchase and redemption and historical orders, dividends, and net fund positions see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 44, Wilson, discloses wherein said first server receives dividend information from servers at least one of the Fund/Transfer Agents for tabulation of order message information, comprising correct calculation of each fund's NAV, calculation of

fund total returns over different time periods and fund assets held at each Member Firm see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

As per claim 45, Wilson discloses further comprising the steps of storing total return information in the database storing NAV and total return information including dividends and fund assets held at each Member Firm at different points in time see column 3 lines 1-50 and column 4 lines 1-39 and column 5 lines 27-53).

Conclusion

RESPONSE TO ARGUMENTS

6. Applicant's arguments files on 02/07/06 have been fully considered but they are not persuasive for the following reasons.

7. In response to Applicant's argument that Wilson and Hawkins fails to teach or suggest "wherein the step of transmitting the matched and executed reformatted order messages from the first server to the servers of the Funds/Securities Clearing Agents further includes the step of transmitting matched and executed reformatted order messages from the first server to servers of at least one of a plurality of Depositories comprising the step of settlement of said matched and executed reformatted orders, including issuance and redemption of mutual fund shares by the mutual fund issuer Depository eligible book entry orders, through servers at least one of the Fund/Securities Clearing Agents using at least one Fund/Securities Clearing Agent's continuous, daily and other money settlement system a computer implemented method for processing mutual fund order messages, including purchase and redemption and buy and sell transactions, receiving order messages in Exchange Equity Order Entry Format at a first server of an Exchange from a second server at least one Member Firm, matching and executing order messages at the first server; and transmitting the matched and executed order messages "the examiner disagrees with Applicant's because these limitations were addressed as stated.

Wilson discloses a method for processing mutual fund order messages, including purchase and redemption transactions, comprising the steps of:

receiving order messages in Exchange Equity Order Entry Format at a server from at least one of a plurality of servers designated Exchanges and in Exchange Equity Order Entry Format, and Fund Order Entry Format, reformatting and transmitting order messages at the servers to at least one of a plurality of servers (see column 3 lines 1-50 and column 4 lines 1-39).

Hawkins discloses a database, the database storing standing delivery instructions relating to at least a first broker, a data communication device for at least receiving an order message in a secure financial network format from the first broker, wherein the order message comprise a buy order or a sell order for trading securities, forwarding the order message in the secure financial network format to a second broker, receiving a confirmation message verifying execution of the order message in the secure financial network format from the second broker and forwarding the confirmation message in the secure financial network format to the first broker, forwarding a first notification message in the secure financial network format to a first clearing agent, and forwarding a second notification message in the secure financial network format to a second clearing agent, wherein the first and second notification messages comprise settlement instructions for settling the transaction (see column 21 lines 59-65 and column 4 line 65 and column 2 lines 51-56 and column 7 lines 47-67).

King discloses a preference Equity--A preference equity position often provides an annual stated revenue stream, an option by the holder to convert to common shares the ability of the corporation to redeem the shares and a senior position in a liquidation for the transferring party, the possibility of annual compensation is increased, but the holder remains subject to the risk of the performance of the corporation. For the company, this format may provide additional funding which may be subsequently reduced through share redemption. Payment of an annual preference dividend is generally out of net profits, so the corporation's commitment to pay often remains subject to profitability. Again, the transferring party continues to be subject to the risk of the company's underlying business performance on an annual basis (see column 2 lines 4-119 and claim 10).

It is obviously clear the Applicant's claimed limitations were addressed within the teachings of Wilson, Hawkins and King.

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B. Graham whose telephone number is 571-272-6795. The examiner can normally be reached on 7am to 5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thomas Dixon can be reached on (571) 272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Frantzy Poinvil/
Primary Examiner, Art Unit 3696

CG
Jan 26, 2009